

MINUTES OF MEETING

RHODE ISLAND AIRPORT CORPORATION

BOARD OF DIRECTORS

WEDNESDAY, APRIL 20, 2011, AT 4:00 PM

IN THE MARY BRENNAN BOARD ROOM

T. F. GREEN AIRPORT

2000 POST ROAD, WARWICK, RHODE ISLAND

The meeting of the Rhode Island Airport Corporation (i§Corporationi”) Board of Directors was called to order by Chair, Kathleen C. Hittner, M.D., at 4:00 p.m., in the Mary Brennan Board Room at 2000 Post Road, Warwick, Rhode Island, in accordance with the notice duly posted pursuant to the Open Meetings Law.

BOARD MEMBERS PRESENT: Kathleen C. Hittner, M.D; Joseph M. Cianciolo; Deborah M. Thomas; Michael F. Ryan; Bradford S. Dimeo.

BOARD MEMBERS ABSENT: Michael A. Traficante; Robert D. Sangster.

ALSO PRESENT: Kevin A. Dillon, A.A.E., President and CEO; and those members listed on the attendance sheet attached hereto.

Dr. Hittner reported that Mr. Ryan and Mr. Dimeo had recently been appointed to the RIAC Board by Governor Chafee, and welcomed them to their first Board Meeting.

1. Approval of the Minutes:

A motion was made by Mr. Cianciolo and seconded by Ms. Thomas to approve the minutes of the Operations and Capital Committee Meeting of October 20, 2010 and the Minutes of the Board Meeting of February 18, 2011. The motion was passed unanimously.

2. Open Forum:

Dr. Hittner asked if anyone present wanted to speak in Open Forum. No one came forward.

3. Report from President and CEO:

Mr. Dillon introduced RIAC's senior staff members to Mr. Ryan and Mr. Dimeo.

Mr. Dillon reported that he had recently accepted two grants:

***fæ* BID Landside Improvements Projects: This grant reimburses RIAC for eligible costs associated with the construct terminal building, access road and vehicle parking, and relocate hangar project that was completed in 2009. The total of FAA funds being reimbursed is \$1,463,114.**

fæ PVD ÿV Deicer Management System: This grant is to prepare the conceptual design and siting for the PVD Deicer Management System. The total of FAA funds offered for this phase of the project is \$335,547 (75%) with RIAC's matching share in the amount of \$111,849 (25%) through Airport Revenue Bonds.

Mr. Dillon reported that total PVD passenger traffic fell 0.80% on about 4.5% less scheduled capacity. The loss in passenger traffic outperformed the drop in capacity which shows that demand continues to recover.

Mr. Dillon reported that general aviation activity system wide was down 6.7%. However, total fuel sales were up 26.6%, which was attributed to corporate activity.

Mr. Dillon reported that the focus continues on air service marketing efforts and he is meeting with all existing carriers, as well as new carriers, to discuss service levels at PVD. Mr. Dillon gave a brief overview of the Corporation's air service incentive program.

Mr. Dillon reported that Delta started their new enhanced service on Friday April 1, 2011, with some significant upgrades in air service. The new service to Raleigh Durham fills a service gap in which was PVD's 5th largest market without nonstop service. The increased Detroit service raises PVD's weekday departures to this market from 5 to 7.

Mr. Dillon reported that Cape Air will resume their service to Martha's Vineyard beginning on June 3, 2011.

Mr. Dillon reported that T. F. Green Airport was voted one of the top ten stress free airports in the country by SmarterTravel.com.

Mr. Dillon reported that the RIAC's snow team has been recognized as runner up for the NEC/AAAE Balchen Post Award. This award is for excellence in snow removal.

Mr. Dillon reported that the InterLink Project received a Project Achievement Award by the Construction Management Association of America, New England Chapter. The award was presented to Gilbane and the InterLink management team at their annual awards luncheon.

Mr. Dillon reported that the Annual Tabletop Exercise is scheduled for April 26, 2011. The exercise will test emergency and security capabilities and will include local and federal agencies.

Mr. Dillon reported that the Quonset Air Show is scheduled for June 25 & 26, 2011.

Mr. Dillon gave a brief overview of his recent visit to a bond rating agency.

Mr. Dillon gave an overview of the status of the FAA Reauthorization Bill and specifically federal AIP funding. Mr. Dillon reported that he would like to schedule a full briefing for the Board on capital financing.

Mr. Dillon gave an overview of the steps the Corporation is taking to comply with Governor Chafee's recent Executive Order eliminating E-Verify requirements.

Mr. Dillon gave an update on outstanding issues related to the intermodal project, noting that the focus is on enhancement projects which includes additional roadway signage, additional building directional signage, an awning and signage at the pedestrian entrance on Jefferson Boulevard, an elevator for the CSO, a RIDOT traffic management wall, a 3rd floor garage pedestrian walkway improvement and a second floor (over platform) conditioned space for passenger comfort. Mr. Dillon reported that once the Post Interlocking work is complete a new train schedule will be finalized.

Mr. Dillon reported that several public meetings have been scheduled in relation to the EIS projects. Mr. Dillon explained that these meetings are a requirement of Rhode Island General Law. The applicable notices have been filed with both the Warwick and Cranston City Clerks. The meeting in Cranston has been scheduled for August 30, 2011 and the meeting in Warwick has been scheduled

for September 1, 2011.

Mr. Dillon reported that Statewide Planning has scheduled a meeting on the State Guide Plan on May 4, 2011.

Mr. Dillon reported that the 3rd Local Advisory Committee Meeting for the North Central Airport Master Plan Environmental Assessment was held earlier today, April 20, 2011.

Mr. Dillon reported that RIAC had recently hosted the New England State Transportation officials at the airport. The meeting was scheduled by RIDOT. Mr. Dillon reported that there was discussion at the meeting on rail service in New England.

Mr. Dillon reported that he had recently meet with Ms. Janet Coit, the new Director of DEM, to discuss airport issues.

Mr. Dillon discussed the recent media interest concerning air traffic control tower staffing, and gave an overview of how the operation is managed at T. F. Green Airport.

4. Action Items:

(a) Consideration of and Action Upon Approval of a Consultant Task Order for Design and Bid Phase Services for the Deicer Management System at T. F. Green Airport.

Mr. Dillon gave an overview of the Task Order. Discussion focused on the financing of these services. Mr. Dillon also explained the impact to the Cost Per Enplaned Passenger (CPE). The recommendation is that the Board authorize the President and CEO, or his designee, to execute a Task Order with Gresham Smith and Partners for Design and Bid Phase Services, subject to FAA approval.

A motion was made by Mr. Cianciolo and seconded by Ms. Thomas to approve the following resolution:

WHEREAS, the Rhode Island Airport Corporation (RIAC) entered into a Professional Services Agreement (PSA) dated April 20, 2010 with Gresham Smith & Partners (GS&P) to provide Design and Construction Administration Services for the Deicer Management System; and

WHEREAS, RIAC staff has received a Scope and Fee from GS&P in the amount of \$2,490,547 to provide Design and Bid Phase Services and is currently conducting negotiations; and

WHEREAS, the project is approved in the Fiscal Year 2011 Capital Improvement Program (CIP) budget in the amount of \$25,254,907; and

WHEREAS, RIAC will upfront the cost of the Design and Bid Phase

Services with General Purpose Funds and seek 75% (\$1,867,910) reimbursement from the Federal Aviation Administration (FAA) during the Federal Fiscal Year (FFY) 2011 Airport Improvement Program grant process; and

WHEREAS, RIAC's 25% (\$622,637) matching share and any amounts not funded by the FAA will be reimbursed by Passenger Facility Charges or General Airport Revenue Bonds.

NOW, THEREFORE, IT IS HEREBY RESOLVED AS FOLLOWS:

That the Board authorizes the President and CEO, or his designee, to execute a Task Order for Design and Bid Phase Services with Gresham Smith & Partners in an amount not to exceed \$2,490,547, subject to FAA approval.

The motion was passed unanimously.

(b) Consideration of and Action Upon Approval of a Consultant Task Order for the 2020 No-Build Voluntary Land Acquisition Program (Phase 4) at T. F. Green Airport.

Mr. Dillon gave an overview of the Task Order, and explained how the program was implemented. The recommendation is that the Board authorize the President and CEO, or his designee, to execute a Task Order with W D Schock Company, Inc., for acquisition and Relocation

Services associated with Phase 4 of the 2020 No-Build Voluntary Land Acquisition Program at T. F. Green Airport, subject to FAA approval.

A motion was made by Ms. Thomas and seconded by Mr. Dimeo to approve the following resolution:

WHEREAS, on October 20, 2010, the Board approved the selection of W D Schock Company, Inc., (Schock) to provide On-Call Land Acquisition and Relocation Services and Avigation Easement Acquisition Services for the Rhode Island Airport System; and

WHEREAS, subsequent to this approval, the Rhode Island Airport Corporation (RIAC) entered into a Professional Services Agreement (PSA) dated December 15, 2010 with Schock to provide these services; and

WHEREAS, in July of 2010, the Federal Aviation Administration (FAA) approved an updated Noise Contour Map for T. F. Green Airport which included an updated noise contour map related to the 2020 No-Build Scenario; and

WHEREAS, RIAC has negotiated a Scope and Fee with Schock to perform Acquisition and Relocation Services associated with Phase 4 of the 2020 No-Build Voluntary Land Acquisition Program at T. F. Green Airport in the amount of \$756,470; and

WHEREAS, RIAC has received approval from the FAA to utilize its personnel in lieu of the consultant services for a portion of the administrative tasks; and

WHEREAS, the project is approved in the Fiscal Year 2011 Capital Improvement Program (CIP) budget in the amount of \$12,560,000; and

WHEREAS, this Task Order will be funded 80% (\$60,176) through the FAA's Airport Improvement Program with RIAC's 20% (\$151,294) matching share through Passenger Facility Charges.

NOW, THEREFORE, IT IS HEREBY RESOLVED AS FOLLOWS:

That the Board authorizes the President and CEO, or his designee, to execute a Task Order with W D Schock Company, Inc., for Acquisition and Relocation Services associated with Phase 4 of the 2020 No-Build Voluntary Land Acquisition Program at T. F. Green Airport in an amount not to exceed \$756,470, subject to FAA approval.

The motion was passed unanimously.

(c) Consideration of and Action Upon Approval of an Amendment to the Agreement for Construction Phase Engineering and Architectural Services for the InterLink Facility at T. F. Green Airport.

Mr. Dillon gave an overview of the amendment. The recommendation is that the Board authorize the President and CEO, or his designee, to execute an Amendment to the Construction Phase Engineering and Architectural Services Agreement with Jacobs Engineering Group, Inc., to provide additional Design and Construction Administration Services for the InterLink Project at T. F. Green Airport, subject to RIDOT and FHWA approval.

A motion was made by Mr. Cianciolo and seconded by Mr. Dimeo to approve the following resolution:

WHEREAS, the Rhode Island Department of Transportation (RIDOT) procured the services of Jacobs Engineering Group, Inc. (Jacobs), formerly Edwards and Kelcey, to provide Design and Construction Phase Services related to the InterLink Facility; and

WHEREAS, on September 26, 2008, the Board of Directors authorized RIAC to enter into a Construction Administration Agreement with Jacobs to provide Construction Phase Activities; and

WHEREAS, there is a need for Jacobs to perform additional Design and Construction Administration Services; and

WHEREAS, RIAC staff has negotiated a Scope and Fee with Jacobs to provide additional Design and Construction Administration Services in the amount of \$130,112; and

WHEREAS, the final Scope and Fee with Jacobs for work authorized by this resolution will be subject to Rhode Island Department of Transportation and Federal Highway Administration approvals.

NOW, THEREFORE, IT IS HEREBY RESOLVED AS FOLLOWS:

That the Board authorizes the President and CEO, or his designee, to execute an Amendment to the Construction Phase Engineering and Architectural Services Agreement with Jacobs Engineering Group, Inc. to provide additional Design and Construction Administration Services for the InterLink Project at T. F. Green Airport in an amount not to exceed \$130,112, subject to Rhode Island Department of Transportation and Federal Highway Administration approval.

The motion was passed unanimously.

(d) Consideration of and Action Upon Approval of a Project Initiative with Amtrak Associated with the InterLink Facility at T. F. Green Airport.

Mr. Dillon gave an overview of the Project Initiative. There was a brief discussion of contingency funds. The recommendation is that the Board authorize the President and CEO, or his designee, to execute a Project Initiative with Amtrak to perform services required for the Post Interlocking improvements, subject to RIDOT and FHWA

approval.

A motion was made by Ms. Thomas and seconded by Mr. Ryan to approve the following resolution:

WHEREAS, on July 28, 2008, the Board of Directors approved a Force Account Agreement with Amtrak to provide various Safety, Protection, Engineering and Contractor Services related to the construction of the InterLink Facility at T. F. Green Airport; and

WHEREAS, RIAC has received a Scope and Fee from Amtrak for the Post Interlocking improvements in the not to exceed amount of \$260,000; and

WHEREAS, the work performed by Amtrak authorized by this resolution will be funded with InterLink Project funds; and

WHEREAS, RIAC staff, PB Americas Inc., Jacobs and RIDOT have reviewed the Scope and Fee in an amount not to exceed \$260,000 for the services associated with this Project Initiative and recommend approval; and

WHEREAS, the final Scope and Fee with Amtrak for work authorized by this resolution will be subject to Rhode Island Department of Transportation and Federal Highway Administration approvals.

NOW, THEREFORE, IT IS HEREBY RESOLVED AS FOLLOWS:

That the Board authorizes the President and CEO, or his designee, to execute a Project Initiative with Amtrak to perform services required for the Post Interlocking improvements in an amount not to exceed \$260,000, subject to Rhode Island Department of Transportation and Federal Highway Administration approval.

The motion was passed unanimously.

Items (e) and (f) were discussed together.

(e) Consideration of and Action Upon Resolution Honoring Joseph S. Larisa, Jr., for his Services on the RIAC Board.

(f) Consideration of and Action Upon Resolution Honoring Russell W. Hahn for his Services on the RIAC Board.

A motion was made by Mr. Dimeo and seconded by Mr. Cianciolo to approve the following resolutions:

WHEREAS, Joseph S. Larisa, Jr. has confirmed the belief that one has the obligation to accept the challenges and responsibilities of public service; and

WHEREAS, in 2002, Governor Lincoln Almond appointed Joseph S.

Larisa, Jr. as a member of the Board of Directors of the Rhode Island Airport Corporation; and

WHEREAS, Joseph S. Larisa, Jr. has played a major role in helping the Board to articulate its principal goals to continue the growth and success achieved at T. F. Green Airport since the terminal opening in 1996, and to ensure that the Corporation is managed and operated with professionalism and efficiency; and

WHEREAS, Joseph S. Larisa, Jr. has devoted countless hours to long range development plans and infrastructure improvements at T. F. Green Airport and the General Aviation Airports. Most notably, the advancement of the EIS and the completion of the InterLink Facility; and

WHEREAS, Joseph S. Larisa, Jr. has been instrumental in making the Corporation a model to which Rhode Islanders can look to, which shows that government can work and can enlist the volunteer services of dedicated citizens.

NOW, THEREFORE, IT IS HEREBY RESOLVED AS FOLLOWS:

That the Board of the Rhode Island Airport Corporation extends it gratitude and appreciation to Joseph S. Larisa, Jr. for his service to this Corporation, his dedication to public service and his commitment to the community and State, and wishes him and his family good

health and every success in the future. Above all, the Board wants him to know that they will miss his legal insights and spirited candor at Board Meetings.

WHEREAS, Russell W. Hahn has confirmed the belief that one has the obligation to accept the challenges and responsibilities of public service; and

WHEREAS, in 2007, Governor Donald Carcieri appointed Russell W. Hahn as a member of the Board of Directors of the Rhode Island Airport Corporation; and

WHEREAS, Russell W. Hahn has played a major role in helping the Board to articulate its principal goals to continue the growth and success achieved at T. F. Green Airport since the terminal opening in 1996, and to ensure that the Corporation is managed and operated with professionalism and efficiency; and

WHEREAS, Russell W. Hahn has devoted countless hours to long range development plans and infrastructure improvements at T. F. Green Airport and the General Aviation Airports. Most notably, the advancement of the EIS and the completion of the InterLink Facility; and

WHEREAS, Russell W. Hahn has been instrumental in making the Corporation a model to which Rhode Islanders can look to, which

shows that government can work and can enlist the volunteer services of dedicated citizens.

NOW, THEREFORE, IT IS HEREBY RESOLVED AS FOLLOWS:

That the Board of the Rhode Island Airport Corporation extends its gratitude and appreciation to Russell W. Hahn for his service to this Corporation, his dedication to public service and his commitment to the community and State, and wishes him and his family good health and every success in the future. Above all, the Board wants him to know that they will miss his sound fiscal advice and his enthusiasm for aviation at Board Meetings.

The motion was passed unanimously.

(g) Consideration of and Action Upon Board Delegation Table.

Mr. Dillon gave an overview of the changes to the Board Delegation Table. There was brief discussion of the items concerning write-offs and legal settlements.

A motion was made by Mr. Cianciolo and seconded by Ms. Thomas to approve the Board Delegation Table in substantially the form submitted to the Board.

The motion was passed unanimously.

5. Executive Session:

At approximately 4:55 p.m., a motion was made by Ms. Thomas and seconded by Mr. Cianciolo to go into Executive Session for the purposes of discussing the following items:

(a) Motion to Approve the Minutes of the Executive Session Held on February 18, 2011 iV R.I.G.L. i± 42-46-5(a)(2), (5); and

(b) Discussion Related to One Potential Litigation Matter (EIS) and One Pending Matter (Fire Watch) - R.I.G.L. i± 42-46-5(a)(2); and

(c) Investment of Public Funds Where Premature Disclosure Would Be Detrimental to the Public Interest (Air Service Development) iV R.I.G.L. i± 42-46-5(a)(7); and

(d) Considerations Related to the Acquisition of Real Property for Public Purposes at T. F. Green Airport - R.I.G.L. i± 42-46-5(a)(5); and

(e) Motion to Return to Open Session.

By the following roll call vote the motion was passed unanimously.

YEAS: Kathleen C. Hittner, M.D.

Joseph M. Cianciolo

Deborah M. Thomas

Michael F. Ryan

Bradford S. Dimeo

NAYS: None

ABSTAIN: None

At approximately 5:45 p.m., a motion was made by Mr. Cianciolo and seconded by Ms. Thomas to reconvene to the Open Session. The motion was passed unanimously.

6. Post Executive Session Actions and Announcements:

(a) Motion to Seal the Minutes of the Executive Session Held on April 20, 2011.

A motion was made by Ms. Thomas and seconded by Mr. Cianciolo to seal the minutes of the Executive Session in accordance with R.I.G.L. § 42-46-4. By the following roll call vote the motion was passed unanimously.

YEAS: Kathleen C. Hittner, M.D.

Joseph M. Cianciolo

Deborah M. Thomas

Michael F. Ryan

Bradford S. Dimeo

NAYS: None

ABSTAIN: None

(b) Report on Actions Taken During Executive Session:

During the Executive Session a motion was made by Mr. Cianciolo to approve the sealed minutes of the Executive Session held on February 18, 2011. The motion was seconded by Ms. Thomas. By the following roll call vote the motion was passed by four in the affirmative, with one member abstaining. Those votes are as follows:

YEAS: Kathleen C. Hittner, M.D.

Joseph M. Cianciolo

Deborah M. Thomas

Bradford S. Dimeo

NAYS: None

ABSTAIN: Michael F. Ryan

7. Future Meetings:

The next meeting date will be announced.

8. Adjournment:

Mr. Cianciolo moved to adjourn at approximately 5:50 p.m. Ms. Thomas seconded the motion. The motion was passed unanimously.

Respectfully submitted,

**Kathleen C. Hittner, M.D., Chair
Rhode Island Airport Corporation**

**PUBLIC ATTENDANCE SHEET
RHODE ISLAND AIRPORT CORPORATION
MEETING OF THE BOARD OF DIRECTORS
WEDNESDAY, APRIL 20, 2011**

NAME AFFILIATION

Brian Schattle RIAC

Peter Frazier RIAC

Patti Goldstein RIAC

Ann Clarke RIAC

Robert Goff New England Parking

Don Pillsbury RIPA

Paul McDonough Louis Berger

John Sinnott Gilbane

Dale Wilde Hoyle Tanner

Val Mendonca HNTB

Jon Pope HNTB

The minutes of the Executive Session of the Board Meeting of April 20, 2011, have been sealed in accordance with R.I.G.L. § 42-46-4.